

**AGREEMENT  
TRANSIT PLANNING, PROGRAMMING AND FUND ALLOCATION  
IN AND FOR  
PIMA COUNTY, ARIZONA (PAG REGION)**

Regarding the coordination of ongoing transit planning for programming federal funds that support the ongoing and future deployment of transit services affecting the Tucson Urbanized Area, hereinafter referred to as the Urbanized Area (UZA).

This AGREEMENT is between and among the PIMA ASSOCIATION OF GOVERNMENTS (PAG), THE REGIONAL TRANSPORTATION AUTHORITY (RTA), and the CITY OF TUCSON.

*WITNESS THAT:*

*WHEREAS*, the RTA, the CITY OF TUCSON, transit operators, and other local government agencies in the PAG region are eligible to apply for and receive Federal Transit Administration (FTA) and/or Federal Highway Administration (FHWA) transit funding for capital, operating, and planning assistance for the delivery of public transportation; and

*WHEREAS*, PAG is the Metropolitan Planning Organization (MPO) for the UZA, directed by a duly comprised Regional Council of elected officials with a committee structure that represents all of the jurisdictions and transit operators in the region to advise the PAG Regional Council on transportation planning and policy questions; and

*WHEREAS*, this AGREEMENT describes the planning and programming relationship among those agencies; and

*WHEREAS*, the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), and subsequent federal transportation authorization legislation, requires MPOs to work cooperatively with public transit operators to develop Regional Transportation Plans (RTPs) and Transportation Improvement Programs (TIPs) for urbanized areas, which are intended to further the national interest to encourage and promote the safe and efficient management, operation, and development of surface transportation systems to serve the mobility of people and freight and foster economic growth and development within and through urbanized areas, while minimizing transportation-related fuel consumption and air pollution ; and

*WHEREAS*, the RTA and PAG have both established Transit Working Groups that addresses transit issues as they relate to RTA funding, and PAG programming of regional funding as well as other region-wide transit issues;

*WHEREAS*, PAG, the RTA, the CITY OF TUCSON and other participating local government agencies rely upon a cooperative relationship to foster regional transit planning which feeds directly into state and national planning;

NOW, THEREFORE, in consideration of the mutual benefits to the transit operators and jurisdictions hereto, and in consideration of the covenants and conditions herein contained, the transit operators and jurisdictions agree as follows:

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Purpose. The purpose of this AGREEMENT is to set forth the basic structure for cooperative planning and decision-making regarding transit planning and programming between PAG, RTA, the CITY OF TUCSON and other participating local government agencies.

Representation on PAG Transit Working Group. All PAG member agencies are invited to serve as voting members on the PAG Transit Working Group. The Arizona Department of Transportation (ADOT), University of Arizona (as the operator of CatTran), and RTA are also invited to serve as voting members of the PAG Transit Working Group. The PAG Transit Working Group serves as the primary PAG committee to coordinate regional transit planning and programming of federal transit related funds. The PAG Transit Working Group reports/makes recommendations to the TIP Subcommittee and then on through the PAG committee structure, TPC, Management and Regional Council. Note that the voting membership for the PAG Transit Working Group may be different than the RTA Transit Working Group.

Regional Transit Coordination. PAG, RTA, and the CITY OF TUCSON agree to work cooperatively with each other and with the other transit operators and local government agencies in ensuring the provision of coordinated region-wide transit services. Items to be considered should include fares, transfer and pass policies, transit information, marketing, schedules, service coordination, data needed to meet periodic reporting requirements, and other activities as required. Coordination with the University of Arizona for the incorporation of CatTran in these issues will be integrated when appropriate.

Regional Transportation Plan. PAG agrees to prepare, adopt and maintain, as required, a Regional Transportation Plan (RTP). PAG, RTA, and the CITY OF TUCSON agree to work cooperatively with each other and with the other transit operators and local government agencies in the refinement of the RTP through the conduct of and participation in multimodal transportation studies.

Short Range Transit Program (SRTP). RTA agrees to prepare, adopt, and maintain, a regional Short Range Transit Program. PAG, RTA, and the CITY OF TUCSON agree to work cooperatively with each other and with the other transit operators and local government agencies in the refinement of the SRTP as well as providing the necessary funding and any required match.

Transportation Improvement Program (TIP) Development Process. The PAG TIP development process shall serve as the focal point for making an annual determination regarding the distribution of federal transit and transportation funds available for allocation by PAG within the UZA. The transit operators and local government agencies agree that it is desirable to ensure that a stable funding stream is available for all operators, which allows the operators to carry out coordinated services throughout the UZA.

PAG develops its annual program of projects in consultation with interested transit operators and local government agencies. PAG distributes notices of intent to develop or amend the TIP, publishes the proposed program of projects to be adopted, and carries out a public involvement and review process for TIP adoption or amendment, in compliance with 23 CFR

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Sections 450.312 and 450.324. The same notices of intent, publication of proposed projects, and public involvement and review also shall be used to fulfill the public hearing requirements of 49 U.S.C. Section 5307, covering review and approval of FTA grant applications for TIP projects. RTA, other transit operators, and PAG member agencies seeking TIP programming and subsequent grant approvals, will provide PAG with sufficient project detail to convey understanding of the projects by all interested agencies and persons, meet FTA grant application requirements, and provide a clear linkage to TIP project descriptions. PAG will advertise the proposed public hearing(s), projects to be programmed, and fund amounts to be programmed through their existing public participation process.

The CITY OF TUCSON, as the Designated Recipient for federal formula funds allocated to the region under the Federal Transit Administration, implements the Annual Grant for the FTA. As part of this process, the CITY OF TUCSON balances the FTA portion of the transportation annual appropriations and provides, to PAG, revisions to the TIP to reconcile the grant and the first year of the TIP. Following reconciliation, PAG works cooperatively with the CITY OF TUCSON to determine if the TIP is in agreement with the Annual Grant. If agreement is reached, PAG concurs with the reconciliation and informs the FTA of its determination.

The PAG Transit Working Group meets to draft a program of projects for the TIP. This program of projects is forwarded to the PAG Transportation Improvement Program (TIP) Subcommittee, PAG Transportation Planning Committee, Management Committee and the Regional Council to be considered for inclusion in the PAG TIP. Following the enactment of an annual federal budget and publication of funding apportionments and discretionary awards in the Federal Register, the CITY OF TUCSON informs PAG of the amounts of the formula and other designated federal funds coming to the UZA. PAG then consults with the transit operators and local government agencies working through the PAG Transit Working Group to finalize the recommended programming of those funds into the TIP, making adjustments as necessary to the draft program of projects completed earlier.

As part of the TIP process, projects are programmed in the TIP on behalf of all transit providers receiving federal funds. PAG, working through the PAG Transit Working Group, will develop a recommended prioritized list of projects for the allocation of federal funds, which would include all FTA 5307 funds apportioned to the UZA plus additional federal funds that may be available for distribution from FTA and FHWA. The PAG Transit Working Group will identify priority projects and endeavor to program the use of said funds based on factors that are cooperatively developed by the PAG Transit Working Group with final approval by the PAG Regional Council. PAG will include the 5307 funds available to the region in its annual "Call for Projects".

Grant Application for Transit Funding. The CITY OF TUCSON is the Designated Recipient for federal formula funds allocated to the region under the Federal Transit Act, as amended, in the UZA. The CITY OF TUCSON, as the FTA Designated Recipient, will prepare applications to the FTA and FHWA for federal transit funding. Applications for funding shall be consistent with the programming identified in the regionally adopted TIP. Draft applications will be submitted to

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PAG using an agreed upon method, in advance of the FTA or FHWA submittal to confirm accuracy and consistency with TIP programming requirements and with the PAG RTP, as required by federal guidelines. All transit operators and jurisdictions agree to work in good faith to develop consistent programming, documentation, and funding requests in a manner consistent with FTA or FHWA requirements.

Progress Reporting. PAG is responsible for tracking the overall progress of all projects in the TIP, is required to produce an annual list of projects for which federal funds have been obligated in the preceding year, and ensures that the list is made available for public review. Transit operators and local government agencies receiving federal transit funding will assist PAG's and the CITY OF TUCSON's efforts to track the overall progress of transit projects in the TIP. At a minimum, milestone/progress reports submitted to FTA and reviewed by PAG shall contain all of the information required in FTA Circular 5010, as amended from time to time, for grant administration of procedures. If project specific questions are raised by FTA or PAG that cannot be answered through review of the Transportation Electronic Award and Management (TEAM) documentation, the affected transit operator or jurisdiction will, upon request, provide PAG or the CITY OF TUCSON, as applicable, additional information. Examples of information that may be periodically requested include the following:

- A classification of the projects by the individual categories, as identified in the TIP.
- A documentation of the stage of project implementation.
- An explanation for any project delays if the project is behind schedule. The reasons for any cost overruns if the project is over budget.
- A status on the amount of federal funding obligated, received, and used to support projects.
- Any identified needs for a TIP amendment.
- Project savings to be reverted, if any, at project completion.

In addition to the aforementioned reporting, all regional transit providers are also required to provide data as it relates to the region's Congestion Management Process (CMP). PAG, in addition to being the MPO for Pima County, is responsible for implementing the CMP. PAG may require transit related data for the required CMP reporting.

TIP Amendments. Each transit operator and local government agency receiving transit funding is responsible for notifying PAG if there is the need to amend the TIP to reflect changes in the funded project as described below. Amendments may require three to four months to process for approval. PAG typically processes TIP amendments on a quarterly basis. A formal request for changes in project cost, scope, or schedule must be made to be incorporated in an amendment. Certain minor adjustments and administrative and project budget modifications can be made outside the formal amendment process, but must be requested in writing.

As part of the quarterly progress report, or more frequent reporting if required, each transit operator or local government agency receiving transit funding will notify PAG regarding the reasons an amendment to the TIP is needed. TIP amendments may be needed to address issues

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such as funding shortfalls, delays in project implementation and/or new projects that need to be included in the TIP. Sub-recipients of FTA funding shall regularly update the CITY OF TUCSON on project status, and the CITY OF TUCSON shall periodically provide a grant status review to the PAG Transit Working Group.

Public Comment. The federal regulations for metropolitan planning under SAFETEA-LU are incorporated within the PAG adopted public involvement process. Federal law requires that the MPO work cooperatively with the state department of transportation and the regional transit operators to provide citizens, affected public agencies, representatives of transportation agencies, freight shippers, private providers of transportation, representative users of public transit, and other interested transit operators and jurisdictions a reasonable opportunity to comment on proposed transportation plans and programs. All PAG public involvement efforts are consistent with Title VI of the Civil Rights Act and the Executive Order on Environmental Justice.

Public Involvement Process. PAG's adopted Public Involvement Policy guides its public involvement activities for the TIP, RTP and other Federal and State funded programs.

In the development of the TIP, PAG conducts at least one open house and one public hearing. The draft TIP is presented at the open house(s) and the public is encouraged to provide feedback on the proposed projects through written and verbal comments. PAG conducts a 30-day public comment period to allow the public to provide any final comments on the TIP. The 30-day public comment period ends with a public hearing on the TIP at a PAG Regional Council meeting.

Public involvement is also an important part of PAG's process to develop the RTP, which includes a phased approach to public involvement. Various phases are related to project milestones and include a variety of educational materials, open houses and interactive stakeholder and interest group sessions, typically held in multiple locations throughout the community to obtain feedback items such as funding, the draft RTP project lists, project maps, programs and strategies. The final phase provides a 30-day public comment period that concludes in a public hearing at the PAG Regional Council meeting.

During all of these phases of public involvement, PAG works closely with ADOT, RTA, the CITY OF TUCSON and the other local government agencies. Responses to public comments are coordinated with the local government agencies and posted on PAG's Web site. The public hearing for the TIP and RTP includes representation from the above listed agencies.

Air Quality. In nonattainment areas for air quality standards, the MPO is responsible for determining conformity of the TIP and RTP with the State Implementation Plan to achieve air quality standards. The goal is to ensure that transportation plans, programs, and projects do not cause or contribute to violations of the air quality standards.



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Human Services Transportation Coordination Plan. The PAG Overall Work Program and Annual Budget include the Human Services Transportation Coordination Plan as required by SAFETEA-LU regulations. This plan is drafted by PAG in consultation with the CITY OF TUCSON and other stakeholders. This activity results in the identification of coordination strategies to make human services transportation more efficient and seamless, particularly as it pertains to the FTA Job Access Reverse Commute JARC, section 5316), New Freedom (section 5317), and Elderly and Persons with Disabilities (section 5310) projects. PAG with the CITY OF TUCSON develops and facilitates the application process for urban JARC and New Freedom funding. This process encourages applicants to participate in the development of the strategies in the Human Services Coordination Plan. The plan is updated by PAG in partnership with the CITY OF TUCSON and other stakeholders as needed.

PAG Overall Work Program (OWP) and Annual Budget. The PAG OWP and Annual Budget are developed in a collaborative process with federal, state and local agencies and input is sought from the public on key issues facing the PAG region. Planning for the OWP is a continuous process. In developing the OWP, PAG consults with the RTA, the CITY OF TUCSON, ADOT and other stakeholders to ensure coordination of projects.

In the spring of each year, the draft OWP budget is provided to local, state and federal agencies for review in anticipation of the Intermodal Planning Group (IPG) meeting where questions and comments are heard and, if necessary, adjustments are made regarding state and federal agency comments. PAG, RTA, and the CITY OF TUCSON typically participate in the IPG presentations and meeting. PAG shall present the final budget to the PAG Regional Council after the IPG session in order to obtain approval and submit the final OWP to ADOT and the FHWA prior to the beginning of the new fiscal year.

Transit Planning. PAG is responsible for transit system planning activities for the region, including the transit component of the Regional Transportation Plan, transit corridor studies (prior to the identification of project funding), transit system studies and sub-regional studies. In some instances, PAG may determine to have a transit operator conduct a specific sub-regional or corridor study.

For projects that require a federal Alternatives Analysis (AA) process, PAG, in cooperation with the affected agencies jurisdiction(s), shall determine the appropriate agency to conduct and manage the AA. The Locally Preferred Alternative (LPA) resulting from the AA will be reviewed and approved through the PAG committee process. The process for review and approval of an LPA includes the following steps: 1) review and adoption by the affected jurisdiction(s); 2) informational review and acceptance by PAG and/or RTA Boards through the PAG committee process, with final approval of the LPA by the PAG Regional Council for inclusion in and conformity with the Regional Transportation Plan. To ensure continuity in the planning process, RTA and the transit providers will provide periodic updates to the PAG Transit Working Group on federal Alternatives Analysis projects.

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Draft Design Concept Reports (DCR) and other major project scoping documents will be reviewed and approved for concurrence through the PAG committee process, in addition to any other agency approvals. PAG will join the operating agency and affected jurisdictions as a member of the Project Management Team for project planning studies, and PAG will provide oversight and quality control over the use of the PAG Travel Demand Model.

Regional sustainability issues should be coordinated at PAG, and project/facility specific sustainability initiatives, in connection with the federal application process, should be coordinated by PAG in conjunction with the local jurisdiction(s).

Regional Transit Oriented Development planning issues should be coordinated at PAG, and project/facility specific Transit Oriented Development initiatives, in connection with the federal application process, should be coordinated by and RTA in conjunction with the local jurisdiction(s).

Amendments to the Agreement. This AGREEMENT may be amended at any time by the mutual agreement of the parties hereto.

Agreement Termination. Participation in the AGREEMENT may be terminated by any of the parties hereto provided that the terminating party provides notice to each of the other parties at least ninety (90) days prior to the date of termination. Termination by anyone party does not relieve any other party to this AGREEMENT of its responsibilities under this AGREEMENT.

Severability. In several places in this MOU the current federal surface transportation bill, SAFETEA-LU, is mentioned specifically. Should the new federal surface transportation bill contain similar provisions, the name difference will not void this MOU. Additionally, changes in future federal requirements will impact only that requirement and will not void this MOU in its entirety.

Administrative and Planning Funding. The region receives funding from FTA to plan and administer transit programs for the PAG region, FTA 5303 funding, and nothing in this MOU shall be inferred as an understanding for the distribution of those funds. Planning, programming and distribution of any transit-related planning funding, including the administration of Job Access and Reverse Commute (JARC) and New Freedoms programs in cooperation with the CITY OF TUCSON, that comes through the PAG process will be handled through the OWP, TIP and/or a separate agreement with PAG.

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Agreement Authorization.

PIMA ASSOCIATION OF GOVERNMENTS

CITY OF TUCSON

\_\_\_\_\_  
Executive Director

\_\_\_\_\_  
City Manager

REGIONAL TRANSPORTATION AUTHORITY

\_\_\_\_\_  
Executive Director